Stakeholder Work Group Process

The Stakeholder Work Group (SWG) began meeting in January, 2007, to discuss policy options. The first task was to generate a broad list of policy options, based on the ideas and suggestions of BRAC and SWG members, options suggested in reports by the U.S. Environmental Protection Agency and other organizations, and stakeholder groups in other Western states. This brainstorming effort resulting in a list of nearly 200 options that were then organized into five major categories:

- Agriculture/forestry—issues such as carbon sequestration, reduction of methane emissions, and biomass fuels affecting agricultural lands, forests, and open spaces

- Energy supply—options for developing significant amounts of renewable energy resources, encouraging carbon capture and sequestration in energy production, developing and deploying advanced generation technologies, improving the efficiency of electric transmission and distribution systems, and reducing emissions from energy extraction activities.

- Residential Commercial Industrial (RCI)—ways of improving the efficient use of energy resources by those three sectors through policies and programs such as efficiency targets, appliance and building codes, funding mechanisms, and education and training programs.

- Transportation/land use—reducing energy use and GHG emissions through mass transit, trip reduction, land use planning, alternative fuels, vehicle speed reduction, educational programs, and other methods.

- Crosscutting—issues that did not fit within one of the above categories or cut across these specific sectors to address broad policy options such as a registry for GHG emissions, GHG reduction targets, market incentives such as a cap and trade program and carbon taxes to reduce emissions, research and development, and education.

The SWG decided that its primary focus would be to:

(1) examine the list of options, consolidate options since there were many overlapping and related issues, and organize them into a more manageable set of options, and

(2) provide an initial evaluation of the options to identify priorities and the most promising and important options the state should consider.

The SWG agreed to focus on the following information for each option: the costs per ton of reducing or avoiding or sequestering CO2 emissions; any associated environmental, economic, and other co-benefits; and the difficulty of implementing associated policies and the impacts on consumers, businesses, and governments, and related political challenges involved in pursuing the option. DEQ staff members and BYU research assistants collected information from available sources, particularly analyses from earlier energy studies done in Utah and from

options considered by adjacent states, and SWG members provided additional information and analyses.

In order to provide background information to SWG (and BRAC) members, two workshops were also held. The first workshop focused on the science of climate change; the second focused on policy issues. Scientists from the University of Utah are producing a report on the state of climate science and the impacts of climate change on Utah and the West. This report and the workshops are not discussed here.

During two meetings, SWG members were assigned randomly to small groups to discuss the options, giving members the opportunity to become familiar with the wide range of issues, and to place each in one of four "bins:"

> BIN A: **"No-Brainers"** - Benefit appears to be high; it can be readily implemented; changes to existing laws and regulations are minimal or will be readily supported; the cost is modest or reasonable; and there is little or no harm associated with it.
>
> BIN B: **"Worth Consideration"** - Most of the Bin A conditions can be met and the rest can be met with some effort. It is the opinion of the group that the effort required, in terms of cost and do-ability, are worth the benefit gained.
>
> BIN C: **"Difficult"** - While the idea may have merit, the cost and/or effort required to make it work will either be very difficult but something that needs to be done OR may not be worth the benefit realized. There is a likely probability of significant impact OR "unintended consequences" other than cost to implement.
>
> BIN D: **"Need more information"** - The option is too general/vague or not enough analytical information can be obtained to evaluate in the time allowed.

This initial ranking process gave SWG members some experience in assessing the options and thinking about how to assess the options and the wide range of issues being addressed by the comprehensive list. SWG members were then invited to join one of five sector groups (agriculture/forestry, energy supply, RCI, transportation/land use, and crosscutting) to assess the options in more detail. Participation in sector groups was also open to any member of the public who was interested. A list of participants is included with each sector report.

Each group met several times over period of two months to consolidate and combine overlapping options, discuss relevant issues, and then place each of the consolidated options into one of the four bins. The groups also evaluated each option in terms of what priority should be given to pursuing it, asking questions such as how much "bang for the buck" in terms of cost and CO_2e reduction potential? How critical is it to the accomplishment of an end result, keeping in mind that some options are "enablers" for other options? Can we assign it a higher priority, if we can't afford to do it? Does it have an immediate or a long-term pay-off? Options were then given a high, medium, or low priority. Cost effectiveness was a consideration in both the binning and prioritizing processes.

The entire SWG was reconvened for two meetings. At the first, each sector group reported the results of its deliberations and answered questions. SWG members were asked to bin and prioritize each option on their own after the meeting. At the second meeting, the options examined by each sector group, along with the group's suggested bin and rank, were mounted on the walls of the meeting room, and each SWG member was asked to affix either a green dot next to the option of she or he agreed with the sector group bin and priority or a red dot if she disagreed with the bin and priority or had questions and wanted to discuss that option. The options with the most red dots were then discussed. SWG members wishing to tally a vote among the entire SWG for how the group as a whole would bin and rank options made motions, and several votes were held. The results of those votes are tallied on the sheets that followed. For each option, there is listed the bin and rank awarded by the sector working group, and, if a vote was held among the entire SWG membership, the results of that vote is then listed (this occurred for only about a dozen options.

The options papers also contain notes from the comments made by sector group members during their working meetings and from comments made at the final meeting of the SWG to which all members agreed. These papers include as well information on the cost per ton of CO2 avoided or reduced that was obtained from analyses done by other western states. That information was typically quite cryptic and rarely included any explanation; it is included here to give some idea of the range of costs that might be relevant in Utah, but future research is needed before these figures can be used to project what the costs of reductions might actually be in Utah. Following the description of options, comments and information submitted by SWG members and the general public are attached. Analysis and rankings provided for each option are the product of the SWG process and all members had an opportunity to discuss this information. The material included as appendices to each of the sector reports are not a product of SWG deliberations and assessments and are included here only as representations of those who submitted them.

The analysis of options are in draft form, aimed at giving BRAC members a report on the initial observations and conclusions SWG members made as they met in working groups. The assumption guiding the SWG process is that there was only time in this first round of assessments to identify a wide range of options, organize and consolidate the options into a manageable list, provide a brief assessment, and then make an initial effort to rank and prioritize them. The priority, it should be noted, was only done within the sector, and the SWG did not have time to discuss what might be the priorities among the options as a whole.

SWG members have invested an enormous amount of work in discussing and assessing these options. There have been some 44 meetings held, including several meetings of the entire SWG and dozens of meetings by the sector groups. Their discussions have been exhaustive, thorough, thoughtful, spirited, and congenial.